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April 12, 2018

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia SC 29210

Re: Impact of the Tax Cuts and Jobs Act on South Carolina Utilities
Docket No. 2017-381-A

Dear Ms. Boyd:

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC, (the “Companies”) take no position at this time on the substance of the South Carolina Office of Regulatory Staff’s (“ORS”) April 6, 2018 Motion to Preserve Tax Benefits for Ratepayers, apart from reaffirming their commitment to defer as a regulatory liability (1) all excess accumulated deferred income tax balances created in 2017 by the Tax Cuts and Jobs Act (the “Act”), and (2) the estimated difference between customer revenues actually billed and what would have been billed taking into effect the reduced corporate tax rate beginning January 1, 2018 until the Commission determines the timing and nature of returning such benefits to retail customers (“deferred tax benefits”). The Companies, however, request a May 31, 2018 filing date for the information requested by the Motion, as originally requested by ORS in prior filings, rather than May 1, 2018 most recently requested by ORS.

First quarter 2018 financial results for the Companies, however, will not be available by May 1st, and the ability to review these results would enable the Companies to provide the best information on the impact of the Act. As expressed in the Companies’ comments filed January 24, 2018, the Act affects significant changes that the Companies continue to evaluate, and the Companies are working hard to ensure the information that will be provided to the Commission is accurate and complete.

The Companies understand ORS’s intent to preserve the benefits of the Act. Inasmuch as the Companies are accounting for and reserving the deferred tax benefits, the Companies respectfully request that the Commission require that their filings be made no later than May 31,

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2018, the date towards which the Companies have been working. A filing date of May 31, 2018 could also provide an opportunity for utilities to provide comments on legal issues raised in this docket.

The Companies have discussed this request with the ORS and are authorized to represent that the ORS has no objection to this request.

Sincerely,

A handwritten signature in blue ink that reads "Heather Shirley Smith" followed by a stylized monogram "HSW".

Heather Shirley Smith

cc: Ms. Nanette Edwards, Esq., Office of Regulatory Staff
Ms. Dawn Hipp, Office of Regulatory Staff
Mr. Jeffery M. Nelson, Esq. Office of Regulatory Staff
Ms. Shannon Bowyer Hudson, Esq., Office of Regulatory Staff
Mr. Michael Seaman-Huynh, Office of Regulatory Staff
Parties of Record